

**MONTANA COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
SUMMARY OF 1995
ECONOMIC DEVELOPMENT PROJECTS**

Locality: Anaconda-Deer Lodge County

Project Number: 95-01
Name of Company: Davidson Block
Financing Date: 5/10/95
CDBG Funds: \$105,000
Other Funds: \$191,350
ALDC: \$750
County: \$600
American Bank: \$135,000
Equity: \$55,000
Total Project: \$296,350
Use of CDBG Funds: Materials and Working Capital
Job Retention: 2.8
Job Creation: 6
LMI Jobs: 8.3

The City of Anaconda will provide a loan of \$105,000 to the Davidson Block to finance the renovation of the historic Davidson Block building, in downtown Anaconda, for the relocation of two existing businesses and the creation of a new bed and breakfast business on the second floor. The project is committed to the creation of 6 new FTE jobs and the retention of 2.8 FTE jobs, of which 8.3 FTE jobs will be filled by low to moderate income persons over a two year period.

Locality: Lewis and Clark County

Project Number: 95-02
Name of Company: Hi Country Jerky
Financing Date: 6/8/95
CDBG Funds: \$254,095
Other Funds: \$294,145
Equity: \$63,025
Mountain West Bank: \$231,120
Total Project: \$548,240
Use of CDBG Funds: Finance Employee Stock Option Plan
Job Retention: 59
Job Creation: 0
LMI Jobs: 30

Lewis & Clark County will loan \$243,095 to Hi Country Jerky in order for the newly established

Employee Stock Option Plan (ESOP) to purchase 33% of the 40% shares of the company being sold by the minority stockholder. Matching funds include a \$231,120 loan from Mountain West Bank and \$63,025 from the company's employee retirement fund. Lewis & Clark County has no revolving loan fund and with this opportunity, can begin establishing and utilizing one. The application provides an opportunity to maintain 59 jobs in Lincoln.

Locality: Meagher County

Project Number: 95-03

Name of Company: Smokey Mountain Lodge

Financing Date: 6/12/95

CDBG Funds: \$242,000

Other Funds: \$860,000

American Bank: \$415,000

Equity: \$445,000

Total Project: \$1,102,000

Use of CDBG Funds: Furniture, Fixture, Equipment & Working Capital

Job Retention: 0

Job Creation: 14

LMI Jobs: 12

Meagher County will loan \$220,000 to the Lodge at Smokey Mountain, L.P., which will use the proceeds in conjunction with a \$415,000 loan from the American Bank and new equity of \$445,000 to finance fixtures, equipment, and working capital for the development of the new facility. This startup business has committed to the creation of 14 full time equivalent positions, of which 12 will be filled by or made available to low and moderate income persons over a two year period.

Locality: Fergus County

Project Number: 95-04

Name of Company: Allied Steel

Financing Date: 7/17/95

CDBG Funds: \$211,200

Other Funds: \$1,126,172

Equity: \$197,000

Fergus Co. RLF: \$100,000

U.S.Gypsum RLF: \$100,000

Bank: \$729,172

Total Project: \$1,337,372

Use of CDBG Funds: Working Capital

Job Retention: 18

Job Creation: 10

LMI Jobs: 10

Fergus County will provide a loan of \$211,200 to finance working capital. Allied Steel is a

structural and miscellaneous steel fabrication company. The project will create 10 FTE jobs, all of which will employ low to moderate income persons. The company, which is relocating to the Heath Industrial Park, already employs 18 full-time persons.

Locality: Anaconda-Deer Lodge County

Project Number: 95-05
Name of Company: Arbiter Plant/Rail Spur
Financing Date: 8/21/95
CDBG Funds: \$160,000
Other Funds: \$714,530
County: \$425,530
ADLDC: \$66,000
TIFID: \$223,000
Total Project: \$874,530
Use of CDBG Funds: Installing a New Rail Line
Job Retention: 83
Job Creation: 50
LMI Jobs: 40

Anaconda-Deer Lodge will provide \$150,000 to install a new rail line across the valley to the existing Arbiter facility. This rail connection will allow AFFCO to move and expand in the arbiter facility, retaining the existing 83 jobs and creating 50 new jobs, 40 of which will be made available to or filled by low to moderate income persons. The project will track job hires from all assisted businesses at the facility including RDM, which has 11 existing jobs.

Locality: Butte-Silver Bow County

Project Number: 95-06
Name of Company: Magnum Container and Recycling
Financing Date: 1/8/96
CDBG Funds: \$147,000
Other Funds: \$204,000
BLDC RECD-IRP Loan: \$147,000
BSB A/A Loan: \$28,000
EDA/RLF Loan: \$28,000
Butte In-Kind: \$1,000
Total Project: \$351,000
Use of CDBG Funds: Construction
Retention: 31
Job Creation: 27
LMI Jobs: 18

The Grantee will loan \$147,000 to Magnum Container and Recycling, Inc., for the construction of additions to its existing plant for expansion of its business activities. The company

reconditions 55 gallon and 30 gallon steel and polyethylene drums for the lubricant oil and other associated industries. The company will use the funds to build additional warehouse and office space. The existing plant currently employs 31 FTE jobs, of which 16 are filled by low and moderate income persons. The Borrower has projected 27 full-time equivalent positions to be created, of which 18 will be made available to low and moderate income persons.

Locality: Musselshell County

Project Number: 95-07
Name of Company: Roundup Memorial Hospital
Financing Date: 10/10/95
CDBG Funds: \$350,000
Other Funds: \$1,500,000
County/G.O. Bond: \$750,000
Bank/FmHA: \$750,000
Total Project: \$1,850,000
Use of CDBG Funds: A/E & Construction
Job Retention: 25
Job Creation: 4
LMI Jobs: 18

The County will loan \$322,000 to the Roundup Memorial Hospital Association (RMHA), a nonprofit corporation, for architectural services and partial construction financing to assist the renovation and expansion of the existing facility. RMHA has projected 29 full-time equivalent positions, of which 18 will be made available to low and moderate income persons. Project activities will assist providing essential medical services to benefit residents within the community, which has a population of 54% LMI persons.

Locality: Missoula County

Project Number: 95-08
Name of Company: MCT, Inc. dba Missoula Children's Theater, Inc.
Financing Date: 4/1/96
CDBG Funds: \$500,000
Other Funds: \$1,600,000
MCT: \$300,000
Bank: \$1,000,000
Other: \$300,000
Total Project: \$2,100,000
Use of CDBG Funds: Construction and Renovation
Job Retention: 9.5, of which 4.5 are LMI for Phase II
Job Creation: 29
LMI Jobs: 28

The County will loan \$490,000 to the Missoula Children's Theater for the construction and

renovation of the theater organization? s Central School location. MCT, Inc. currently employs 62 FTE persons and has been in existence for 25 years. This project is Phase II of the Central School Redevelopment Project which consists of renovation and construction of approximately 11,000 square feet within the existing building and approximately 15,000 square feet of new construction as an addition to the existing building. MCT, Inc. has projected the creation of 29 new full-time equivalent positions, of which 28 will be filled by low and moderate income persons. Phase II of the project will retain 9.5 FTE jobs, of which 4.5 are retained for low and moderate income persons.

Locality: Fort Benton

Project Number: 95-09

Name of Company: Grand Union Hotel

Financing Date: 5/9/96

CDBG Funds: \$430,000

Other Funds: \$1,113,000

SBA/504: \$371,000

Equity: \$371,000

Bank: \$371,000

Total Project: \$1,543,000

Use of CDBG Funds: Acquisition of the building, furniture, fixtures, and equipment

Job Retention: 0

Job Creation: 23

LMI Jobs: 20

The City of Fort Benton will loan \$400,000 to the Grand Union Company, Ltd., for financing the acquisition of the building, and furniture, fixtures and equipment necessary for the renovation of the historic Grand Union Hotel. The business has projected 23 full-time equivalent jobs to be created at the end of the three-year contract period, of which 20 positions will be made available to or filled by low and moderate income persons.

Locality: Sweet Grass County

Project Number: 95-10

Name of Company: Bunton Precision Machine

Financing Date: 5/9/96

CDBG Funds: \$110,000

Other Funds: \$100,000

Equity: \$50,000

Bank: \$50,000

Total Project: \$210,000

Use of CDBG Funds: Working Capital

Job Retention: 19

Job Creation: 0

LMI Jobs: 14

Sweet Grass County will loan \$100,000 to Bunton Precision Machine for working capital to be used for its business activities. The business has projected the retaining of 19 full-time equivalent positions, of which 14 will be made available to low and moderate income persons.

Bunton Precision Machine gained entry into the cycling industry via an initial contract with Specialty Racing Products. For the past six (6) years Bunton Precision Machine has captured and maintained a significant presence in the fabrication of titanium components for the cycling industry. The firm currently has a clientele that range from sporting goods to medical supplies.

I:\cdbg\projsum\cdbg-sum.95
updated: 6/96